

SENATE JOURNAL

Fifty-seventh Legislature—Third Called Session

AUSTIN, TEXAS, WEDNESDAY, JANUARY 3, 1962

PROCEEDINGS

FIRST DAY

(Wednesday, January 3, 1962)

In obedience to the proclamation of the Honorable Price Daniel, Governor of the State of Texas, the Senate met in the Senate Chamber at the City of Austin, on the 3rd day of January, 1962, at 10:00 o'clock a.m. and was called to order by the President Pro Tempore Ad Interim Senator Bruce Reagan.

Quorum Present

The President Pro Tempore Ad Interim directed the Secretary to call the roll of the Senate.

The roll was called and the following Senators were present:

Aikin	Lane
Baker	Martin
Calhoun	Moffett
Colson	Moore
Creighton	Owen
Crump	Parkhouse
Dies	Patman
Fuller	Ratliff
Hardeman	Reagan
Hazlewood	Roberts
Herring	Secrest
Hudson	Smith
Kazen	Spears
Krueger	Willis

Absent—Excused

Rogers	Weinert
Schwartz	

The President Pro Tempore Ad Interim announced a quorum of the Senate present.

The invocation was offered by the Reverend W. H. Townsend, Senate Chaplain.

Officers of the Senate

The President Pro Tempore Ad Interim announced that the duly elected officers of the Senate named in the

Caucus Report for the 57th Legislature would continue in office for the Third Called Session of the 57th Legislature, with the exception of Mrs. Minnie Meier, Journal Clerk, who is on leave of absence due to illness.

Leaves of Absence

Senator Weinert was granted leave of absence for today on account of illness on motion of Senator Martin.

Senator Rogers was granted leave of absence for today on account of important business on motion of Senator Owen.

Senator Schwartz was granted leave of absence for today on account of important business on motion of Senator Owen.

Proclamation by the Governor Calling Special Session

The President Pro Tempore Ad Interim laid before the Senate and directed the Secretary to read the following Proclamation from the Governor:

PROCLAMATION
BY THE
GOVERNOR OF THE
STATE OF TEXAS
41-940

To All to Whom These Presents Shall Come:

I, Price Daniel, Governor of the State of Texas, do by virtue of authority vested in me by the Constitution of Texas, hereby call a special session, 57th Legislature, to be convened in the City of Austin, commencing at 10 a.m. Wednesday, the 3rd day of January, A. D. 1962, for the following purposes:

1. To enact an amendment to House Bill 5, 57th Legislature, First Called Session, to extend the provisions of the Escheat Enforcement Law to banks and other banking institutions,

or, in the alternative, to enact other legislation for the protection of deposits of missing owners and heirs and the rights of the State where no owners exist, including the following provisions:

(1) That no bank deposits of lost owners or missing heirs shall be transferred to the profits or capital of any bank or otherwise reduced by charges or assessments while in a dormant condition.

(2) That after depositors have been lost or unknown for more than seven years, reasonable diligence should be made to locate them, including the advertising of their names at least once in a local newspaper.

(3) That any remaining deposits on which owners cannot be located for more than seven years shall be reported to the State and conserved by the State, still subject to delivery to owners or missing heirs who may be located at any time thereafter.

2. To consider and act on such other subjects as may be submitted by the Governor from time to time after the session convenes.

The Secretary of State will take notice of this action and will notify the members of the Legislature.

Done at Austin, Texas, this the 1st day of December, 1961, under the Seal of this State properly attested by the Secretary of State.

[Seal] PRICE DANIEL,
Governor of Texas.

ATTEST:

P. FRANK LAKE,
Secretary of State.

The proclamation was read and was filed with the Secretary of the Senate.

Senate Resolution 1 (Caucus Report)

Senator Aikin offered the following resolution:

Austin, Texas,
January 3, 1962.

Honorable Bruce A. Reagan
President Pro Tempore
Senate of Texas
Austin, Texas

Sir:

At a caucus held in the office of the Senate attended by . . . members of the Senate, the following recommendations were made, to-wit:

The following officers were elected

to serve for the 57th Legislature, Third Called Session, and at the salaries set opposite their names:

Secretary of the Senate, Charles Schnabel, \$550.00 per month.

Two Assistant Secretaries of the Senate, which shall be appointed by the Secretary of the Senate, \$14.00 per day.

Journal Clerk, Mrs. Minnie Meier, \$15.00 per day.

Sergeant-at-Arms, for the duration of the Third Called Session, John Dorman, \$16.50 per day, plus \$50.00 per month.

Doorkeeper, Charlie Jones, \$13.00.

Chaplain, Rev. W. H. Townsend, \$11.00.

Calendar Clerk, Mrs. Martha Turner, \$14.00.

Engrossing and Enrolling Clerk, Miss Essie McGinnis, \$19.00.

Mailing Clerk, Mrs. John Draper, \$14.00.

Parliamentarian, named by the President Pro Tempore, . . . , \$16.50.

It is recommended that the President Pro Tempore and the Secretary of the Senate each be permitted to name one secretary, the secretary of the President Pro Tempore to receive \$16.00 per day and the secretary of the Secretary of the Senate to receive \$14.00 per day. The salaries of other employees of the Senate may be supplemented at the discretion of the Contingent Expense Committee. All officers and employees elected by this caucus shall hold their office or employment for the duration of the Third Called Session of the 57th Legislature.

It is further recommended that each Senator shall be permitted to employ a secretary and other office help at a maximum payroll of \$38.00 per day for each such Senator's secretary and employees with the maximum pay of \$14.00 per day for any such secretary or other office employee. The names of such employees shall be referred to an assignment committee hereinafter provided for and such committee shall be authorized to select employees from such list. Salaries of other employees, unless otherwise fixed by the Senator, shall be \$12.00 per day.

It is further recommended that the President Pro Tempore be authorized to name a committee of five, such committee shall be designated as an Assignment Committee for the purpose of assigning employees as herein authorized and the committee be authorized to select sufficient additional employees to be assigned by it when and where needed.

It is further recommended that the employees and the porters who were selected to prepare the Senate Chamber in advance of the meeting be allowed pay for their services.

It is further recommended that the several appointments of employees heretofore made by the Lieutenant Governor and announced in the Senate and considered by the caucus are confirmed.

The salaries of the day and night elevator operators shall be \$8.00 per day each, and the salaries of the porters shall be \$7.00 per day each, except the head porter whose salary shall be \$12.00 per day and the porter carrying the mail shall receive \$7.00 per day, and the salaries of the pages shall be \$5.00 per day, and the salaries of the messengers shall be \$6.50 per day.

The Lieutenant Governor, Senators and the Secretary of the Senate are hereby fully authorized and empowered to use any assistant Sergeant-at-Arms and all other necessary employees for any and all services needed in and about the Senate.

It is further recommended that no employee of the Senate, shall, during the time he or she is employed, furnish to any person, firm or corporation any information other than general information furnished the public pertaining to the Senate, and they shall not receive any compensation from any person, firm or corporation during their employment by the Senate, and any employee found guilty of violating this provision shall be immediately discharged.

All employees, except those responsible directly to the Lieutenant Governor, members of the Senate, Secretary of the Senate, committee, or to the head of a department, shall report for duty at eight o'clock a.m., and one o'clock p.m., each day to the Sergeant-at-Arms of the Senate, except part-time employees, who shall report at the place and time directed

by the Sergeant-at-Arms, and none of such employees shall be paid for the days they are absent from the Senate, unless excused by the Sergeant-at-Arms.

It is further recommended that the Lieutenant Governor, each Senator and the Secretary of the Senate, be allowed the stationery and postage needed by them, respectively, and expenses incurred in transmitting and receiving telephone and telegraph messages and express charges as may be actually necessary in the discharge of their official duties, said expenses to be paid out of the contingent fund.

It is further recommended that 1,700 journals be printed, all of which shall be prorated among the Senators and Lieutenant Governor, except that 175 journals shall be furnished the members of the House.

It is further recommended that the State Library be furnished 75 copies of the daily journals.

It is further recommended that the Senate request the State Comptroller of Public Accounts, to issue general revenue warrants for pay of the members and employees of the Senate upon presentation of the payroll account signed by the Presiding Officer and the Secretary of the Senate.

It is further recommended that each Senator, the Lieutenant Governor, the Secretary of the Senate, and Librarian be permitted to subscribe for 2 newspapers to be paid for out of the contingent fund.

The elected officers of the Senate may select, subject to the approval of the Contingent Expense Committee, employees to fill such key positions as may be authorized by said committee.

It is further recommended that the President of the Senate has exclusive appointment of a sufficient number of custodians, messengers, pages, elevator operators, porters and other employees as in his judgment may be necessary.

It is further recommended that the Chairman of the Finance Committee shall have authority to employ such additional employees of his own selection as may be needed by said committee, said employees to receive the same compensation paid similar positions as herein fixed, who shall dis-

charge the duties of the Finance Committee.

It is further recommended that the private rooms allotted to the Senators by the method as adopted by the caucus be assigned to Senators and their successors unless otherwise directed by the Senate.

It is further recommended that each Senator, as quickly as possible, file with the Secretary of the Senate the name of his private secretary selected; that he also file with the Chairman of the Assignment Committee aforesaid the names of the employees selected, together with his or her post office address.

Be it further resolved, that no employee of the Senate except those whose official duties require them to work upon the floor of the Senate, shall have access to the floor unless that employee shall have been requested by a Senator, the Lieutenant Governor, or the Secretary of the Senate to come on the floor for some official duty, which, when performed, he will immediately leave the floor of the Senate. The Sergeant-at-Arms is specifically ordered to see that this provision is carried out.

Only those who have the privileges of the floor during the sessions of the Senate shall be permitted on the Senate floor for a period of thirty minutes prior to the time the Senate convenes. The Sergeant-at-Arms is instructed to enforce this rule and to permit only those having the privileges of the floor to enter or remain on the Senate floor during such thirty minute period.

Respectfully submitted,

A. M. AIKIN, JR.

Acting Chairman of the Caucus

On motion of Senator Aikin and by unanimous consent the reading of the resolution was dispensed with and the resolution was adopted.

Record of Vote

Senator Moffett asked to be recorded as voting "Nay" on the adoption of the above resolution.

Acting Journal Clerk

On motion of Senator Aikin and by unanimous consent Mrs. Olga Schneider will be Acting Journal Clerk and the chairman of the Con-

tingent Committee is authorized to employ a person of Mrs. Olga Schneider's selection to assist her during the absence of Mrs. Minnie Meier.

Senate Resolution 2

Senator Aikin offered the following resolution:

Resolved, That the permanent rules of the Senate of the 57th Legislature as adopted by the Senate on January 10, 1961, and as published in the Manual of the 56th Legislature, as amended by the Senate on February 15, 1961 (S. R. No. 62) and March 28, 1961 (S. R. No. 239), be adopted as the permanent rules of the Senate for the Third Called Session of the 57th Legislature.

The resolution was read and was adopted by the following vote:

Yeas—27

Aikin	Lane
Baker	Martin
Calhoun	Moffett
Colson	Moore
Creighton	Owen
Crump	Parkhouse
Dies	Patman
Fuller	Ratliff
Hardeman	Reagan
Hazlewood	Roberts
Herring	Secrest
Hudson	Smith
Kazen	Spears
Krueger	

Nays—1

Willis

Absent—Excused

Rogers	Weinert
Schwartz	

Presentation of Guests

The President Pro Tempore Ad Interim by unanimous consent presented as guests of the Senate today 190 students, teachers and sponsor of W. B. Ray High School of Corpus Christi to the Members of the Senate.

Presentation of Senator Spears

The President Pro Tempore Ad Interim welcomed Senator Franklin Spears (who had been elected in a Special Election to represent the 26th Senatorial District, composed of Bexar County, and administered the Constitutional Oath of Office in Bexar

county on December 22, 1961) of San Antonio as a new member of the Legislature.

Election of President Pro Tempore for the Third Called Session of the Fifty-seventh Legislature

The President Pro Tempore Ad Interim announced the election of the President Pro Tempore for the Third Called Session of the Fifty-seventh Legislature as the next order of business.

Senator Dies nominated the Honorable Charles F. Herring of Austin, Texas, to be President Pro Tempore.

Senators Hudson, Owen, Secrest, Krueger, Aikin, Patman, Roberts and Parkhouse seconded the nomination of Senator Herring as President Pro Tempore for the Third Called Session.

There being no further nomination, the President Pro Tempore appointed Senators Martin, Aikin and Smith as tellers to take up and count the ballots.

The ballots were taken up and counted and the President announced that Senator Herring had received 25 votes with one present and not voting for President Pro Tempore for the Third Called Session of the Fifty-seventh Legislature and declared him duly elected.

Senators Dies, Krueger and Hudson were appointed to escort Senator Herring and Mrs. Herring to the President's Rostrum. The President Pro Tempore Ad Interim administered the Constitutional Oath of office as President Pro Tempore for the Third Called Session of the Fifty-seventh Legislature to Senator Herring.

The President Pro Tempore Ad Interim then presented Senator Herring to the Senate as their President Pro Tempore of the Third Called Session of the Fifty-seventh Legislature.

Senator Herring then presented Mrs. Herring to the Senate.

Senator Herring then addressed the Senate, expressing his gratitude for the great honor bestowed upon him stating he would do his best to justify the praise given him and asked the cooperation of all and he would in turn work diligently to perform his duties to the office to which the Members had elected him.

(President Pro Tempore in the Chair.)

Senate Notified

A committee from the House appeared at the Bar of the Senate and Representative Mutscher for the committee announced that the House of Representatives was organized and ready to transact business.

Message from the House

Hall of the House of Representatives,
Austin, Texas,
January 3, 1962.

Hon. Charles Herring, President of the Senate.

Sir: I am directed by the House to inform the Senate that the House has passed the following:

H. C. R. No. 1, Providing for a Joint Session at 11:00 a.m., January 3, 1962.

Respectfully submitted,

DOROTHY HALLMAN,
Chief Clerk, House of Representatives

Motion in Writing

Senator Aikin submitted the following Motion in Writing:

Mr. President:

I move that the President be authorized to appoint a committee of five (5) Members to notify the Governor that the Senate is organized and ready for business.

AIKIN

The motion was read and was adopted.

Accordingly the President Pro Tempore announced the appointment of the following as a Committee to Notify the Governor that the Senate was organized:

Senators Kazen, Krueger, Lane, Moore and Creighton.

Motion in Writing

Senator Aikin submitted the following Motion in Writing:

Mr. President:

I move that the President be authorized to appoint a committee of five (5) Members to notify the House that the Senate is organized and ready for business.

AIKIN

The motion was read and was adopted.

Accordingly the President Pro Tempore announced the appointment of the following as a Committee to Notify the House that the Senate was organized and ready for business:

Senators Spears, Colson, Calhoun, Crump and Roberts.

Announcement

The President Pro Tempore announced that Senator Schwartz was present (he having been excused for the day.

House Concurrent Resolution 1 on Second Reading

The President Pro Tempore laid before the Senate on its second reading the following resolution:

H. C. R. No. 1, Providing for a Joint Session at 11:00 a.m., January 3, 1962.

The resolution was read.

By unanimous consent the resolution was considered immediately and was adopted.

Record of Vote

Senator Parkhouse asked to be recorded as voting "Nay" on the adoption of the above resolution.

Senate Concurrent Resolution 1

Senator Parkhouse offered the following resolution:

S. C. R. No. 1, Providing Sine Die Adjournment of Fifty-seventh Legislature, Third Called Session.

Be it resolved by the Senate of Texas, the House of Representatives concurring, That the Third Called Session of the Fifty-seventh Legislature stand adjourned Sine Die at 2:00 o'clock p.m., on Wednesday, January 3, 1962.

The resolution was read.

Question—Shall the resolution be considered immediately?

House Notified

The Committee to Notify the House that the Senate is organized appeared at the Bar of the Senate, and Senator Spears for the committee notified the

President and the Senate that it had performed the duty assigned it.

Governor Notified

The Committee to Notify the Governor that the Senate was organized appeared at the Bar of the Senate and Senator Kazen for the committee notified the President and the Senate that it had performed the duty assigned.

Committee to Escort Governor Daniel to the Joint Session

The President Pro Tempore announced the appointment of the following committee pursuant to the provisions of H. C. R. No. 1 to escort Governor Daniel to the Joint Session:

Senators Martin, Moffett, Patman, Aikin, Schwartz and Hardeman.

Joint Session

(To hear address of Governor Price Daniel)

The President Pro Tempore announced at 10:55 a.m. that the time had arrived pursuant to the provisions of H. C. R. No. 1 for the Joint Session to hear the address of Governor Price Daniel.

The President Pro Tempore of the Senate and the Senators present escorted by the Sergeant-at-Arms and the Secretary of the Senate proceeded to the Hall of the House of Representatives at 10:55 o'clock a.m.

The President Pro Tempore was invited to occupy a seat on the Speaker's Rostrum.

The Senators were announced and were admitted and escorted to seats prepared for them along the aisle.

The President Pro Tempore called the Senate to order, and announced a quorum of the Senate present.

Honorable James Turman, Speaker of the House of Representatives, called the House to order, stated the purpose of the Joint Session and announced a quorum of the House present.

The Honorable Price Daniel, Governor of the State of Texas, accompanied by Mrs. Daniel, were announced by the Doorkeeper of the House.

The Governor's party was escorted

to the Speaker's rostrum by Senators Martin, Moffett, Patman, Aikin, Schwartz and Hardeman, on the part of the Senate, and Representatives Wilson, Bailey, Kothmann, Peeler, Price Ratcliff, Richardson, Stewart of Galveston and Trevino, on the part of the House.

The Speaker of the House presented the Honorable Price Daniel, Governor of Texas, to the Joint Session.

Governor Daniel addressed the Joint Session as follows:

TO THE MEMBERS OF THE FIFTY-SEVENTH LEGISLATURE:

I hope all of you have enjoyed the Christmas and New Year holidays and that the next thirty days of this New Year will be far more pleasant and profitable than some have predicted or anticipated.

Special Sessions of the Legislature are never very enjoyable either for Legislators or Governors, but as long as Texas continues to grow and problems remain unfinished, it is likely that we shall have more of such extra sessions in the future than in the past. We live in an age when the legislative business of this State simply cannot be attended to in 140-day Regular Sessions every two years. The people recognized this when they voted annual salaries for members of the Legislature, and the writers of our Constitution anticipated it when they provided that the Legislature shall meet "at such other times when convened by the Governor."

As long as Governors are elected on platforms and issues in which they sincerely believe, they may be expected to exercise their Constitutional right to convene the Legislature to consider enactment of proposals which, if delayed, might result in severe losses to the State and to the people, or ultimate defeat of the legislative objectives.

In this category, there are four proposals which I have carried to the people with solemn pledges of support and on which I feel there is need for action without delaying them for another year. They are:

1. Enactment of legislation to include banking institutions in the new Escheat Enforcement Act which was passed earlier this year, or in any special Act which will accomplish the same purpose.

2. Enactment of a law regulating

small loans so as to stamp out the loan shark racket which has existed for too long at the expense and injury of our people.

3. Adjustment of the Farm-to-Market Road program to provide that some of the presently ear-marked funds may be used for maintenance as well as construction of the Farm-to-Market Road system.

4. A supplemental appropriation bill providing more adequate financing of the juvenile parole system and a tourist attraction program sufficient to compete with the other States. This bill also should include an emergency appropriation for the repair of the San Jacinto Monument and prison system properties, both of which received substantial damage from Hurricane Carla. I now submit to you and recommend the enactment of these four measures. In my opinion, any one of them is of sufficient importance to justify this session. I realize that some of you disagree—even that one member of the House will at two o'clock this afternoon move to adjourn sine die, and that a member of the Senate will do likewise after the Senate reconvenes. I have thanked them for the courtesy of waiting at least until I could deliver this message. Seriously, I thank all of you for this opportunity to present the reasons why I attach such importance to prompt action on these subjects. I earnestly solicit your consideration and cooperation, and assure you of mine.

BANK LEGISLATION

First, as to bringing banking institutions under the provisions of the new Escheat Enforcement Law. There would be no urgency or emergency here if all banks were protecting and preserving their old dormant deposits so that they would be held safely intact for lost owners and missing heirs, or for the State if it should turn out that there are no owners.

You now have estimates worked out by the State Auditor for the House Committee, based upon figures furnished by 161 banks, that there are now in excess of 356,000 dormant accounts in Texas banks totaling in excess of \$25 million.

If all of these thousands of dormant deposits and millions of dollars were being securely held without dissipation or conversion, they would be there for action at the Regular

Session next year or at any future date.

The trouble is that all banks in this State are not so preserving and protecting these deposits. Literally thousands of these dormant accounts are being wiped out each year by conversion of the funds to the banks themselves through outright transfers or unconscionable service charges ranging as high as 100% per year.

Since I first recommended this law to you in 1959, at least 200,000 dormant bank deposits have been converted from depositors' accounts to bank profits through transfers and purported service charges. I estimate that the total sum so transferred is in excess of \$2 million. (The State Auditor's estimate, based on the 161 banks which reported, is in excess of 187,000 deposits transferred for a total of over \$1 million. However, as the House Committee concluded, these estimates are "on the conservative side," because there is every reason to believe that banks failing to report have even worse records on this subject than those which did not try to hide their actions.)

At the very time the Texas Bankers Association was here in Austin fighting against the bill on the grounds that it would upset depositor-creditor relationships, many of the banks represented here were completely wiping out the depositor-creditor relationship by transferring their dormant deposits to the undivided profits of the banks.

For instance, after vigorously opposing legislative action requiring them to advertise for these lost owners and report the results to the State, the First National Bank of Jefferson, Texas, on September 29, 1959 transferred 82 dormant accounts ranging from \$3 to \$105 to the undivided profits of the bank. Some of these accounts were 50 years old.

The present president of that bank, who appeared before the House Committee, testified that this practice was widespread. He admitted that for a long time:

"... the banks have been thinking, well, maybe we ought to do something toward getting this money ourselves rather than see it go to the State."

Most of these outright transfers involved National banks, but some were State chartered institutions which acted in violation of the State Banking Commissioner's regulation on this subject. For instance, last year while

this subject was again under consideration by the Legislature and while it was being opposed by the Union State Bank of San Antonio as a violation of the depositor-creditor relationship, this same Union State Bank "in one fell swoop" transferred hundreds of dormant deposits totaling in excess of \$25,000 to the undivided profits of the bank. The State Banking Commissioner, Mr. J. M. Faulkner, testified before the House Committee that upon learning of this action, he required the bank to restore the funds to the depositors' accounts.

These two examples, a National bank at Jefferson and a State bank in San Antonio, point up the need for a uniform State law applying to all depositories, because the State bank was required to restore the deposits while the National bank still has not been required to do so.

The second method of converting old deposits to bank profits accomplishes the same purpose as outright transfers, but it is more gradual. It is a purported monthly service charge, even though no checks are written and no service rendered. The most usual charge is \$1 per month on deposits under \$200, and in many cases these included small savings accounts. Some of the charges were admitted to be as high as \$2 per month.

I have illustrations here of how these service charges operate. In this hand I hold an inactive dormant account of a college student on which no checks have been written and no other activity encountered. The original account was \$7.52. The National bank charged this dormant account \$1 service charge per month for eight months and finally sent this student a statement showing not only that the account was completely wiped out, but that he owed the bank 48c for a purported service which was never rendered. This is more than 100% per annum for merely holding and using the money.

In this hand I have an example of a member of the Legislature whose father died leaving a dormant account of approximately \$88, and after twelve years, without any notice whatever to the heirs, it was reduced by purported service charges to \$40. If the same bank had been using the present \$1 per month service charge on dormant accounts, this account would have been completely transferred to bank profits in seven years and four months.

These are examples of an unwarranted practice relating to deposits of owners or heirs who could be located, and the same thing is happening each month in thousands of cases to the deposits of owners who cannot be found, some of which are due the State because no owners exist.

Two Beaumont National banks reported the transfer in this manner of 5706 dormant deposits since January 1, 1959. One National bank in Dallas completely charged off 5421 deposits, and a Fort Worth National bank 4062 deposits in the same period.

State banks are prohibited by the State Banking Commissioner from making service or maintenance charges on dormant accounts. The Commissioner testified, "We make that provision on the theory that the accounts were inactive or dormant and the bank does not render any service." The Escheat Enforcement Law passed last year makes the same prohibition against maintenance or service charges by those covered by that law. Many National banks take the same attitude and refrain from making service charges on dormant accounts. However, based on projections run by the State Auditor, it is estimated that at least 57% of the National banks in Texas and 13% of the State banks have been and are now using one of these two methods to transfer dormant accounts to bank profits. With at least 356,000 dormant accounts being subject to such action at the present time, it should be evident that this practice should be stopped now with respect to all banks and depositories, State and National, without another year's delay. If we delay action another twelve months, there will be another 100,000 dormant accounts wiped out and another \$1 to \$2 million lost to the owners or to the State.

It is unfair to the estimated 43% of the National banks and 87% of the State banks which do not engage in these practices to permit their competitors to continue to eat up, wipe out, and transfer these dormant accounts. It is unfair to the lost owners and missing heirs for this to be allowed to continue, and it is unfair to the State in those cases where there are no owners or heirs and the property is already subject to escheat under the age-old law on this subject.

A majority of the owners of these deposits can be found if their names are advertised as forty States now

require. However, based on the State Auditor's projections, the House committee estimates that there are at least \$4 million of these deposits which have no living owners, or which are subject to a presumption of death without heirs, because the existence or whereabouts of the owners have been unknown for more than seven years.

As you know, a uniform bill on this subject has been recommended by the American Bar Association, the Commission on Uniform State Laws, the National Governors' Conference and the Council of State Governments. The constitutionality of similar laws in other States has been upheld by the Supreme Court of the United States with respect to both State and National banks in *Securities Savings Bank v. California*, 263 U. S. 282 (1923); and *Anderson National Bank v. Lueckett*, 321 U. S. 233 (1944). The Attorney General of Texas held a similar bill constitutional in Opinion No. WW-570.

I believe every member of this Legislature will agree that some effective action should be taken on this subject without further delay if you will read the Interim Report of the Special House Committee dated December 21, 1961, and signed by the three members who were able to attend the hearings: Representative Franklin Spears, Ted B. Springer, and Paul B. Haring. Attached to this report as Exhibit C is the State Auditor's analysis of information submitted to the committee by 161 banks and a projection on a percentage basis of the figures that are estimated for all of the 1,105 banks in the State.

I recommend that primary consideration in this matter be given to protection of the dormant bank accounts of lost owners and missing heirs, prohibiting their dissipation through transfers and purported service charges, requiring that after seven years the names of the missing owners be advertised and that a report of those who cannot be located then be made to the State Treasurer, and that any of such funds turned over to the State be subject to repayment to the owners at any time in the future that they can be found. This can be accomplished by simply amending the Escheat Enforcement Law passed earlier so as to include banking institutions or through a special bill applying to such institutions.

The latter course may be the most

advisable. I have in the past two weeks been able to arrive at a version of this bill with many of the leading bankers of the State, and it will be introduced today in both the House and Senate. As you probably know, and if not, I am pleased to advise you that there are many bankers in Texas who now realize that legislation is necessary and who are willing to cooperate in settling this issue.

SMALL LOAN REGULATIONS

On the subject of small loan regulations I feel that you are as familiar as anyone with the need for prompt action in stopping the abuses of some who are engaged in this business. The people of Texas voted overwhelmingly in 1960 for a Constitutional amendment authorizing the Legislature to regulate this business. It is estimated that our people are being gouged an estimated \$100 million per year by those who are charging exorbitant interest rates, to say nothing of the harassment and abuses employed to bring about payments. Both the Legislative Council and the Attorney General's Conference have made suggestions for regulatory legislation. It is my hope that the interest rates which you might authorize will be lower than those contained in either of these proposals, but the main thing is to bring these small loan companies under State regulation regardless of what their interest rates may be. I hope that this Special Session will at least provide for licensing and regulating those engaged in this business so that present and future laws relating to interest can be better and more easily and promptly enforced.

FARM-TO-MARKET ROADS

On the farm-to-market road question, I vetoed the second-year appropriation for the Colson-Briscoe program in the sum of \$15 million because there was no provision made by statute for maintenance of farm-to-market roads. Everyone who has studied this subject knows that we cannot continue to put all of our funds ear-marked for farm-to-market roads on construction and none on maintenance of the 33,000 miles of farm roads which already have been built under this program. I am pleased to advise that all of the organizations which have concerned themselves with this problem through the years have officially endorsed a proposal which I submit in bill form by which the Col-

son-Briscoe program of \$15 million per year for construction would be restored and continued, and that maintenance funds would be provided from other presently ear-marked farm-to-market road funds. This would mean an actual increase in mileage constructed for farm-to-market roads, proper maintenance on a sustaining basis, and freeing the primary highway system of a present maintenance load of \$18 million per year. The proposal has been endorsed by the Texas Farm Bureau, the Texas Good Roads Association, the County Judges and Commissioners Association, the State Highway Commission, and several other interested organizations. This is one of the finest instances which I have observed of cooperation between rural and city people in working out a recommendation to the Legislature which will be for the benefit of our entire State.

SUPPLEMENTAL APPROPRIATION BILL

I recommend a supplemental appropriation bill to provide specifically for the following:

1. An appropriation of \$300,000 to the Texas Highway Department for the fiscal year beginning September 1, 1962, to finance a tourist attraction program, as authorized by the recent Constitutional amendment.

In the past four years, the annual number of visitors to Texas has dropped by more than 1,500,000 and we have lost untold millions of dollars to our economy as a result. The time has come for Texas to compete with the other States whose vigorous programs have cut deeply into the Texas tourist industry. All statistics indicate that this will be a money-making investment for our people and our State through increased tax revenues.

2. An appropriation of \$100,000 to the Texas Youth Council for expanding the juvenile parole system in the fiscal year beginning September 1, 1962.

I recommend that this amount be authorized to provide 15 additional parole officers and two area supervisors. It was gratifying that the present Appropriation Bill initiated a paid parole system for juveniles, although only five parole officers were authorized. It is vitally important that this program be expanded now. Juvenile offenders paroled from the three correctional schools are wards

of the State, and the Youth Council should have a program to assure adequate supervision, just as the Board of Pardons and Paroles has established an adult parole system under authority of the Legislature.

There are approximately 1,800 juvenile parolees, including 1,367 from the Gatesville State School for Boys. During the last fiscal year, 715 parolees were returned to the schools for parole violations, including 618 from Gatesville. The return rate at Gatesville is 37%. Better parole supervision would help prevent this repetition of crime, and help save some of the lives of young offenders who are now involved in over 50% of the major crimes committed in Texas.

3. Authority for the Department of Corrections to spend for emergency purposes the unappropriated balances in the Mineral Lease Fund, subject to approval by the Governor with advice of the Legislative Budget Board. This was agreed to by the Conference Committee on Appropriations in the First Called Session, but the language was inadvertently omitted in the enrolling room. This authorization is now needed due to damage caused by Hurricane Carla. In order to help replace the great loss the State suffered last year in the death of the director, O. B. Ellis, the Board of Corrections has also recommended an increase to \$22,500 in the salary of the director, and an increase to \$15,000 in the salary of the assistant director for business and custody. I feel these increases are justified, and recommend them to you.

4. An appropriation of \$156,500 out of Building Commission funds, for the purpose of repairing damage to the San Jacinto Monument and its terraces.

Certain repairs were called for before the recent hurricane, but damage is now so extensive that the adjoining Museum is closed to the public. Much of the needed appropriation is for the purpose of waterproofing the shaft of the Monument which was the most serious source of water infiltration during the storm.

I recommend that the needed repairs and improvements be appropriated from Building Commission funds, since the Constitutional amendment creating the building program envisioned expenditures for memorials to those who fought in the Texas War for Independence as well as the Confederate forces in the War Be-

tween the States. I can think of no more worthy expenditure than for the preservation of one of our most cherished monuments to the heroism of our forefathers. It would be tragic to permit the San Jacinto Monument to continue to deteriorate due to our neglect in providing funds for repair and improvement.

The Comptroller has reported that sufficient funds are in sight to enable him to certify these appropriations.

OTHER POSSIBLE MEASURES

If committee hearings are held Friday on these measures and if they progress without undue delay, there are quite a few local and other bills which I would like to submit. Many of you have asked for submissions of this nature. They include water districts, corrections of two Regular Session bills, authorization of fall-out shelter districts, increase of State disaster programs pointed up by Hurricane Carla, minor election law changes, and proposals which may be of a local or uncontroversial nature. I will consider all of these when I am sure they will not interfere with the primary purposes of this Session.

In this connection, I am not one who believes that a 30-day session cannot handle more than three or four bills. I saw this Legislature pass 549 bills in 140 days during the Regular Session with at least 100 of them contested in some degree. With full cooperation and good faith effort on the part of the Executive and the Legislative branches, I am sure that we can do what needs to be done in this 30-day Session. In fact, I am convinced that this can be one of the most productive Special Sessions in the history of our State, and I shall do all within my power to help you achieve this result.

At the conclusion of the address by Governor Daniel the President Pro Tempore announced the purpose of the Joint Session concluded and requested the Senate to retire to its Chamber.

In Legislative Session

The President Pro Tempore called the Senate to order as in Legislative Session at 11:55 a.m.

**Message of Governor Price Daniel
Ordered Printed in the Journal**

On motion of Senator Aikin and

by unanimous consent the message of Honorable Price Daniel was ordered printed in the Journal.

Adjournment

On motion of Senator Hardeman the Senate at 11:58 o'clock a.m. ad-

journed until 10:00 o'clock a.m. tomorrow.

Record of Votes

Senators Colson, Willis and Patman asked to be recorded as voting "nay" on the motion to adjourn.

In Memory of Honorable Sam Rayburn

Senator Roberts offered the following resolution:

(Senate Resolution 3)

Whereas, Texas and the nation has suffered a great loss in the death of Honorable Sam Rayburn on November 16, 1961; and

Whereas, Sam Rayburn was born January 6, 1882, in Roane County, Tennessee, and moved with his family to Fannin County in 1887. He attended Texas Public Schools, and graduated from East Texas Normal College in Commerce. He attended The University of Texas Law School and was admitted to the Bar. He was elected to the Texas Legislature in 1906, where he served six years as State Representative, and at the age of 29, was elected and served as the Speaker of the Texas House of Representatives; and

Whereas, He served continuously since 1913 as Representative of the Fourth Congressional District of Texas in the House of Representatives of the United States; and

Whereas, He served as Speaker of the House of Representatives of the United States for over 17 years, more than twice as long as any predecessor; and

Whereas, During his many years of public service as a lawmaker, he left an enduring page in the history of the United States as the chief author and sponsor of the Truth in Securities Act, the Securities and Exchange Act, the Federal Communications Act, the Railroad Holding Company Act, the Public Utilities Holding Act, and the Rural Electrification Act; and

Whereas, He was known, loved, and respected by his fellow lawmakers for his integrity, loyalty, fairness, wisdom, and leadership, and was recognized as an outstanding legislator and the most accomplished speaker in the history of the parliamentary system of government; and

Whereas, Texas has lost her most noted lawmaker, the Democratic Party its most stalwart member, the nation a faithful, devoted, and sage advisor and leader; and

Whereas, Sam Rayburn lived out his life in patriotic and distinguished service to his state and country, it is the desire of the Senate to pay tribute and homage to the memory of this most eminent son of the State of Texas; now, therefore, be it

Resolved, By the Senate of Texas that the passing of this great man be acknowledged by directing that a copy of this Resolution be placed in the Journal as an expression of the appreciation, respect, love, esteem and memory in which this great statesman was held; and, be it further

Resolved, That a copy of this Resolution be forwarded, under the seal of the Senate, to Mr. Rayburn's family, and that when the Senate adjourns today it do so in silent tribute to the Honorable Sam Rayburn.

ROBERTS

Signed—Charles F. Herring, President Pro Tempore; Aikin, Baker, Calhoun, Colson, Creighton, Crump, Dies, Fuller, Hardeman, Hazlewood, Hudson, Kazen, Krueger, Lane, Martin, Moffett, Moore, Owen, Parkhouse, Patman, Ratliff, Reagan, Rogers, Schwartz, Secrest, Smith, Spears, Weinert, Willis.

The resolution was read.

On motion of Senator Parkhouse and by unanimous consent the names of the President Pro Tempore and the Senators were added to the resolution as signers thereof.

The resolution was then adopted by a rising vote of the Senate.

SECOND DAY

(January 4, 1962)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment, and was called to order by the President Pro Tempore.

The roll was called and the following Senators were present:

Aikin	Martin
Baker	Moffett
Calhoun	Moore
Colson	Owen
Creighton	Parkhouse
Crump	Patman
Dies	Ratliff
Fuller	Reagan
Hardeman	Roberts
Hazlewood	Rogers
Herring	Schwartz
Hudson	Secrest
Kazen	Smith
Krueger	Spears
Lane	Willis

Absent—Excused

Weinert

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal approved.

Leave of Absence

Senator Weinert was granted leave of absence for today on account of illness on motion of Senator Martin.

Standing Committee Appointments

The President Pro Tempore announced the appointment of Senator Spears to the following standing committees: Counties, Cities and Towns; Privileges and Elections; Jurisprudence; Public Health; and Banking.

Senate Resolution 4

Senator Roberts offered the following resolution:

Whereas, The construction of a bridge across the Big Mineral arm of Lake Texoma to provide a crossing between the east and west shores in that

area has been under consideration at various times since 1941; and

Whereas, Several years ago, a Grayson County delegation requesting that the Texas Highway Commission build such a bridge was told, either officially or unofficially, that when the Willis Ferry Bridge was completed across Lake Texoma, the Commission would give every consideration to the authorization and construction of the Big Mineral Bridge; and

Whereas, The Willis Ferry Bridge has been completed, and the need for a bridge in the Big Mineral area has grown increasingly urgent; and

Whereas, With existing roads, the shortest possible land route from the eastern shore of Big Mineral to the western shore is about 25 miles, and this includes travel over roads which are not all-weather; the route by paved highway or all-weather roads exceeds 35 miles; and

Whereas, Since 1958, several new tourist areas have been developed in the general area of Big Mineral, and thousands of homes have been constructed in developments on both its east and west shores; and

Whereas, The availability of a bridge crossing at Big Mineral would provide a more direct route from southeastern Oklahoma to East Texas, substantially increase travel between these two areas, funnel a tremendous amount of central and southeastern Oklahoma traffic to Dallas, Longview, Tyler, Texarkana, Bonham, Paris and other points east and south in Texas, and help restore retail trade of customers in southern Oklahoma counties who shopped in Denison, Sherman, and other Texas cities before direct highway routes were cut off by the construction of Lake Texoma; and

Whereas, Industrial growth in the area, which has attracted a substantial number of major plants in the last four years, would be greatly accelerated by construction of the bridge; and

Whereas, The construction of the Big Mineral Bridge would close the last gap in a complete highway route circling Lake Texoma, making it possible to drive along the lake on the Texas side without ever being more than three miles from the water, not only attracting more tourists to the area but increasing the speed and efficiency of rescue operations which, unfortunately, are frequent on Lake Texoma; and